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FISCAL IMPACT STATEMENT

LS 6223

BILL NUMBER: SB 206

NOTE PREPARED: Nov 18, 2010

BILL AMENDED:

SUBJECT: Court Reporter Licensing.

FIRST AUTHOR: Sen. Taylor

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
FEDERAL

IMPACT: State & Local

Summary of Legislation: The bill prohibits a person from practicing court reporting after June 30, 2012, unless the person is a licensed court reporter. The bill establishes the Court Reporter Board (CRB). The bill requires the CRB to determine the qualifications for licensure and establish requirements for ethical behavior and continuing education for licensed court reporters.

Effective Date: July 1, 2011.

Explanation of State Expenditures: *Summary:* The Professional Licensing Agency (PLA) would provide the administrative staff for the CRB. The PLA would likely be able to administer the licensure of court reporters within their existing level of resources. Court reporter license administration would likely be assigned to one of four known existing work groups within the PLA for nonmedical professions. The four work groups are currently responsible for the administration of approximately 185,000 active and inactive nonmedical professional licenses and certifications. The average salary cost per license by these groups is currently \$3.77. Using the \$3.77 average multiplied by 600 licenses would equate to a salary cost of approximately \$2,260.

Board Membership- The bill specifies a seven-member CRB, with the members appointed by the Governor. Initial appointments would be made before September 1, 2011. Three initial members' terms would expire June 30, 2015, two members' terms would expire June 30, 2014, and two members' terms would expire August 31, 2013.

Board Costs- The following table illustrates the estimated cost of a new professional board on the assumption of four meetings per year. Depending on the number of persons that may apply for licensure under the bill,

fees could be set by the proposed CRB to cover license administration and board costs.

Expense	Estimated Amount
Per Diem & Subsistence*	\$2,500
Mileage**	\$2,500
Mailing and Packet Preparation	\$350
Staffing Cost***	\$670
Printing/Seals	\$100
TOTAL	\$6,120
* Assuming all CRB members are not state employees ** Calculated with an average round trip to board meetings of 100 miles. *** Average staff cost for a full-day meeting among nonmedical work groups.	

Background Information: As of November 1, 2010, there were three staff positions vacant within the four PLA nonmedical work groups. The salary value of these positions is approximately \$85,700.

Explanation of State Revenues: *Summary:* The CRB would set fees for the licensure of court reporters. The increase to state revenues would depend on the fee set and the number of licensed persons. As an example only, if 150 to 600 persons were licensed at a biannual fee of \$100, which is similar to the fees charged to several nonmedical professionals, the revenue generated could range from \$15,000 to \$60,000 over a two-year period.

If the biannual fee was set to cover the board and salary cost to process 600 licenses, the fee would be approximately \$25.

Class B misdemeanor- A person would no longer be able to be a court reporter without being licensed. A person that knowingly engaged in court reporting without a license would commit a Class B misdemeanor. If additional court cases occur and fines are collected, revenue to both the Common School Fund (from fines) and the state General Fund (from court fees) would increase. The maximum fine for a Class B misdemeanor is \$1,000. However, any additional revenue would likely be small.

Background Information: The bill allows members of the Indiana Shorthand Reporters Association (ISRA) in good standing as a certified shorthand reporter on July 1, 2011, to be able to apply to the proposed CRB and receive a license (with fee payment) without meeting other requirements for the license.

The ISRA has approximately 150 members, which is used in the lower bound of the revenue estimate above. The U.S. Department of Labor (DOL) estimated that approximately 660 court reporters are employed in Indiana. The DOL estimate was used as an upper bound for the above revenue estimate, less possible retirements, economic hardship, or reporters that simply do not pursue licensure based on other indeterminable factors.

Recent Professional Certifications- Between May 2009 and August 2010, the National Court Reporters

Association reports eight persons from Indiana were certified as registered professional reporters (one of the certification types required by the bill to be licensed). The National Verbatim Reporters Association listed two persons in Indiana with a CVR (certified verbatim reporter) certification.

Explanation of Local Expenditures: A Class B misdemeanor is punishable by up to 180 days in jail.

Explanation of Local Revenues: If additional court actions occur and a guilty verdict is entered, local governments would receive revenue from court fees. However, any change in revenue would likely be small.

State Agencies Affected: Professional Licensing Agency.

Local Agencies Affected: Trial courts, local law enforcement agencies.

Information Sources: Professional Licensing Agency; U.S. Department of Labor, OES May 2009 Statistics; State Staffing Report 11/01/2010; Josephine Ross, Indiana Short Hand Reporters Association; National Court Reporters Association, ncraonline.org; National Verbatim Reporters Association, www.nvra.org.

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